RESEARCH PLAN PROPOSAL

Organizational Culture and its Effectiveness in Banking Sector

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TABLE OF CONTENTS

S. No	Particulars	Page No.
1.	Introduction	1-13
2.	Review of Literature	14 - 26
3.	Research Gap	27
4.	Problem Statement	28
5.	Scope of the Study	28
6.	Justification/Relevance of the Study	28
7.	**Theoretical Framework:**	29
	Research Questions	29
	Research Objectives	29
	Hypotheses	30
8.	**Plan of Work and Methodology:**	31-34
	Research Design	31
	Universe of the Study	31
	Sample Details	31-33
	Methods of Data Collection	34
	Limitations	34
9.	Scheme of Chapterization	35
10.	Bibliography	37 - 38

INTRODUCTION

ORGANIZATIONAL CULTURE

The culture of the workplace defines what an organization is. It is a summation of the values, ethics, rules and regulations, attitudes, beliefs and customs followed in any organization.

There are two main types of organization culture – **strong and weak culture**. Under **strong culture** the employees feel empowered and they have a better understanding of companies' values, vision and beliefs whereas **weak culture** implies that the employees are unmotivated and directionless working under coercion.

According to the **Quinn and Cameron model** organizations also face four types of culture namely **clan, adhocracy, market and hierarchy cultures**. The first one involves family based culture which focuses on doing things together. The second focuses on doing things first by taking risk and creating things by innovation. The third culture emphasis on competition, result oriented culture with great focus on achievement and the last one remains in favor of structured working with more emphasis on stability and efficiency.

Culture is a collection of norms, values, attitudes, beliefs which from an inseparable part of the Organizational Behavior.

The definitions of Organizational culture exist in a many forms and languages.

- Kilmann et al. (I) state that Organizational culture as "shared philosophy ideology, value, assumption, beliefs, hope behaviors and norms that bound Organization together."
- Robbins (2) stated it as "Common perceptions which are held by the members of an Organization, a system of common meaning."
- George & Jones mentioned culture as "Informal design of values, norms that control the way people & groups within the Organization interact through each other & with parties outside the Organization."

THE COMPETING VALUES FRAMEWORK

The Competing Values Framework is a theoretical model which is extremely useful in organizing and interpreting a wide variety of organizational phenomena. It is useful for identifying the major approaches to organizational design, stages of life cycle development, organizational quality, theories of effectiveness, leadership roles and roles of human resource managers and management skills.

The Competing Values Framework was developed initially from research conducted on the major indicators of effective organizations. The key question that emerged as a part of the research was that what indicators people keep in mind while evaluating the organizational effectiveness. John Campbell and his colleagues (1974) created a list of thirty-nine indicators that represented the measures for organizational effectiveness which was later analyzed by Quinn and Rohrbaugh (1983).

Those thirty-nine indicators were submitted to a statistical analysis and two dimensions emerged which were further organized into four clusters.

"First dimension differentiates effectiveness criteria that emphasize flexibility, discretion, and dynamism from the criteria that emphasizes stability, order and control. That means some organizations are viewed as effective if they are changing, adaptable and organic, while others are viewed as effective if they are stable, predictable and mechanistic."

The CVF continuum ranges from organizational versatility and pliability on one end to organizational steadiness and durability on the other end.

"The second dimension differentiates effectiveness criteria that emphasize an internal orientation, integration, and unity from criteria that emphasize an external orientation, differentiation and rivalry. That means some organizations are viewed as effective if they harmonious internal characteristics, while others are judged to be effective if they are focused on interacting or competing with others outside their boundaries."

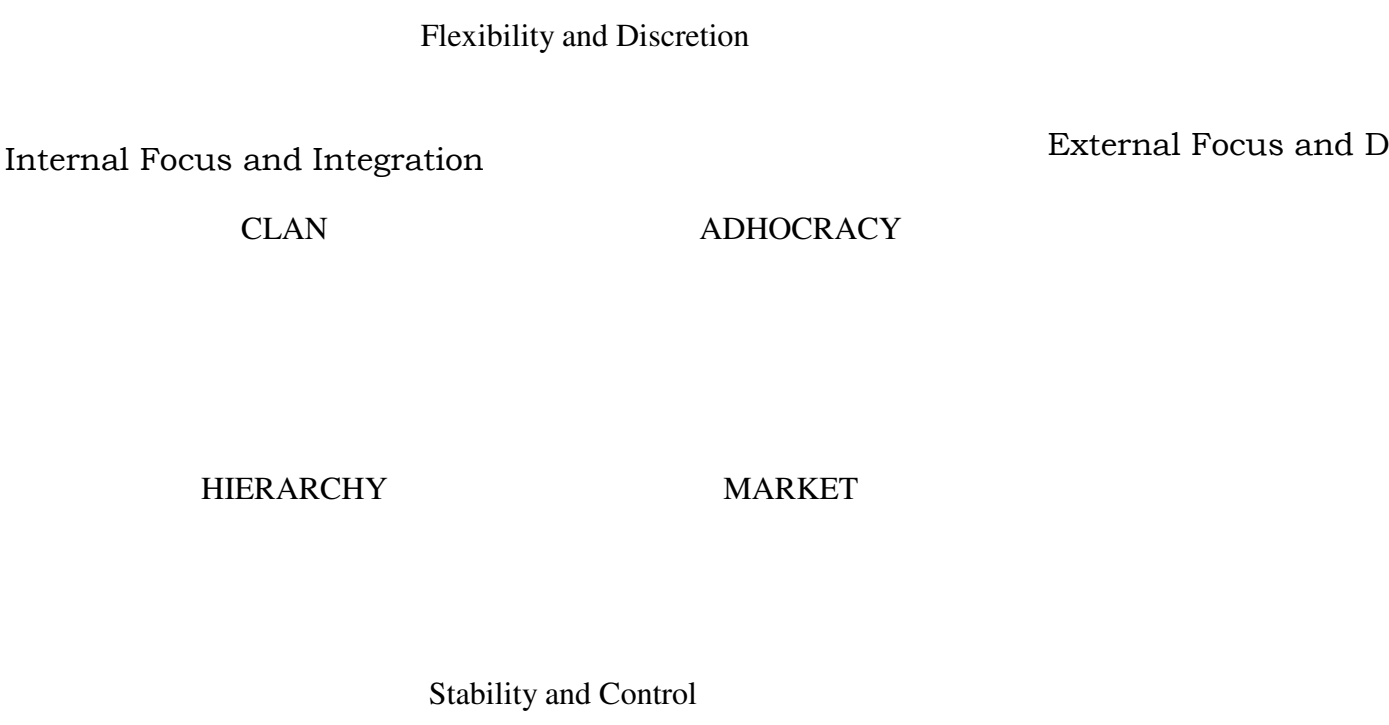
The CVF continuum ranges from organizational cohesion and consonance on the one end to organizational separation and independence on the other.

Together these two dimensions' form four quadrants, each representing a distinct set of organizational effectiveness indicators. The figure given below illustrates the relationships of

these two dimensions to one another. These indicators of organizational effectiveness demonstrate the values people think important to check an organization's performance. They define what is seen as good, right and appropriate. The four clusters of criteria, in other words, define the core values on which judgements about organizations are made.

These four values represent opposite or competing assumptions. Each continuum represents a core value that is opposite from the value from the other end of the continuum – flexibility versus stability, internal versus external. The dimensions produce quadrants that are also contradictory or competing on the diagonal. The upper left of the quadrant identifies values that emphasize an internal, organic focus, whereas lower right quadrant identifies values that emphasize an external, control focus. Also, the upper right quadrant identifies values that emphasize an external, organic focus, whereas the lower left quadrant emphasizes internal, control values. The competing or opposite values in each quadrant give rise to the name for the model, the Competing Values Framework.

Each quadrant has been given a label to distinguish its most notable characteristics – clan, adhocracy, market and hierarchy. The clan quadrant is in the upper left, the adhocracy quadrant is in the upper right, the market culture is in the lower right and the hierarchy is in the lower left.



THE FOUR MAJOR TYPES OF CULTURES

- **The Hierarchy Culture**

The work of German Sociologist Max Weber proposed seven characteristics of bureaucracy: rules, specialization, meritocracy, hierarchy, separate ownership, impersonality, accountability. These characteristics were highly effective in overcoming the challenges faced by the organizations to effectively produce goods and services at the turn of twentieth century. Weber's bureaucracy was the ideal form of organization because it led to a stable, efficient, highly consistent products and services and because the environment was relatively stable, tasks and functions could be integrated and coordinated, uniformity in products and services was maintained and workers and jobs were under control. Clear lines of decision-making, authority, standardized rules and procedures, and control and accountability mechanisms were valued as the keys to success.

The organizational culture compatible with this form is characterized by a formalized and structured place to work. Procedures govern what people do. Effective leaders are good coordinators and organizers. Maintaining a smooth running organization is important. The long-term concerns of the organizations are stability, predictability, and efficiency. Formal rules and policies hold the organization together.

- **Market Culture**

Oliver Williamson, Bill Ouchi and their colleagues identified a set of activities that serve as the foundation for organizational effectiveness. The most important amongst them was transaction costs. The new design was referred to as a market form of organization. The term market is not synonymous with the marketing function or with the consumers in the marketplace. Rather, it refers to a type of organization that functions as a market itself. It is oriented toward the external environment instead of internal affairs. It is focused on the transactions with mainly external constituencies such as suppliers, customers, contractors, licensees, unions and regulators. And unlike a hierarchy, where internal control is maintained by rules, specialized jobs, and centralized decisions, the market operates primarily through economic market mechanisms, mainly monetary exchange. That is, the major focus of markets is to conduct transactions (exchange, sales, contracts) with other constituencies to create competitive advantage. Profitability, bottom-line results, strength in market niches, stretch targets and secure customer bases are primary objectives of the organization. Not surprisingly, the core values that dominate

market type organizations are competitiveness and productivity. These values are achieved through strong emphasis on external positioning and control.
A market culture is therefore a result-oriented workplace. Leaders are hard-driving producers and competitors. They are tough and demanding. The glue that holds the organization together is an emphasis on winning. The long-term concern is on competitive actions and achieving stretch goals and targets. Success is defined in terms of market share and penetration. Outpacing the competition and market leadership are important.

- **Clan Culture**

A third ideal form of organization is represented by the upper left quadrant. It is called a clan because of its similarity to a family-type organization. Shared values, cohesion, participative-ness, individuality and sense of "we-ness" permeated clan-type firms. These organizations seemed more like extended families than economic entities. Instead of the rules and procedures of hierarchies or the competitive profit centers of markets, typical characteristics of clan-type firms were teamwork, employee involvement programs, and corporate commitment to employees. These characteristics were evidenced by semiautonomous work teams that received rewards on the basis of team accomplishment and that hired and fired their own members, quality circles that encouraged workers to voice suggestions regarding how to improve their own work and performance of the company and an empowering environment for employees.
Some basic assumptions in a clan culture are that the environment can best be managed through teamwork and employee development, customers are best thought of as partners, the organization is in the business of developing a humane work environment, and the major task of management id to empower employees and facilitate their participation, commitment, and loyalty.
The clan culture is typified by a friendly place to work where people share a lot of themselves. It is like an extended family. Leaders are thought as of mentors and perhaps even as parent figures. The organization is held together by loyalty and tradition. Commitment is high. The organization emphasizes the long-term benefit of individual development, with high cohesion and morale being important. Success is defined in terms of internal climate and concern for people. The organization places a premium on teamwork, participation and consensus.

- **The Adhocracy Culture**

As the developed world shifted from the individual age to the information age, a fourth ideal type of organizing emerged. It is an organizational form that is most responsive to the hyper-turbulent, ever-accelerating conditions that increasingly typify the organizational world of the twenty-first century. The assumptions of the culture are innovative and pioneering initiatives are what leads to success, the organizations are mainly in business of developing new products and

services and preparing for the future, and that major task of management is to foster entrepreneurship, creativity and activity “on the cutting edge.”

The root of the word adhocracy is ad hoc – implying something temporary, specialized and dynamic. Adhocracies are temporary. They have been characterized as “tents rather than palaces” in that they can reconfigure themselves rapidly when new circumstances arise. A major goal of an adhocracy is to foster adaptability, flexibility and creativity where uncertainty, ambiguity, and information overload are typical.

The adhocracy organization may frequently be found in industries such as aerospace, software development and film making. An important challenge for these organizations is to produce innovative products and services and to adapt quickly to new opportunities. Unlike the markets or hierarchies, adhocracies do not have centralized power or authority relationships. Here, the power flows from individual to individual, team to team and depending upon the contingencies present at that time. There is high emphasis on individuality, risk taking and anticipating the future and everyone gets involved with production, clients, research and development and other matters of concern.

The adhocracy is characterized by dynamic, entrepreneurial, and creative workplace. People are ready to take risks. Effective leadership is visionary, innovative and risk-oriented. The glue that holds the organization together is commitment to experimentation and innovation. The emphasis is on being at the leading edge of new knowledge, products and services. Readiness for change and meeting new challenges are on priority. The organization keeps long term emphasis on rapid growth and acquiring new resources. Success means producing unique and original products and services.

The Competing Values Framework of Leadership, Effectiveness and Organizational Theory

Flexibility and Discretion

Culture Type: CLAN

Orientation: Collaborative

Leader Type: Facilitator, Team Builder, Mentor

Internal Focus and Integration

Value Drivers: Commitment, Communication, Development

Theory of Effectiveness: Human Development and Participation develop effectiveness.

Culture Type: Adhocracy

Orientation: Creative

Leader type: Innovative, Entrepreneur, Visionary

Value Drivers: Innovative outputs, Transformation, Agility

External Focu

Theory of Effectiveness: Innovativeness, Vision, and new resources produce effectiveness.

Culture Type: Hierarchy	**Culture Type: Market**
Orientation: Controlling	**Orientation:** Competing
Leader Type: Coordinator, Monitor, Organizer	**Leader Type:** Hard Driver, Competitor, Producer
Values: Efficiency, Timeliness, Consistency and Uniformity	**Values:** Market share, Goal Achievement, Profitability
Theory of Effectiveness: Control and Efficiency with capable processes produces effectiveness.	**Theory of Effectiveness:** Aggressively competing and customer focus produce effectiveness.

Stability and Control

ORGANIZATIONAL EFFECTIVENESS

The criteria of effectiveness most highly valued in hierarchy culture are efficiency, timeliness, smooth functioning, and predictability. The dominant operational theory that drives organizational success is that control fosters efficiency and therefore effectiveness.

The criteria of effectiveness most highly valued in a market culture are achieving goals, outpacing the competition, increasing market share, and acquiring premium levels of financial return. The dominant operational theory that drives organizational success is that competition creates an impetus for higher levels of productivity and therefore higher levels of effectiveness.

In clan culture, the criteria of effectiveness most highly valued include cohesion, high levels of employee morale and satisfaction, human resource development, and teamwork. The operational theory that dominates this culture type is that involvement and participation of employees foster empowerment and commitments. Committed, satisfied employees produce effectiveness.

The adhocracy culture most highly values new products, creative solutions to problems, cutting-edge ideas, and growth in new markets as the dominant effectiveness criteria. The underlying operational theory is that innovation, and new ideas create new markets, new customers, and new opportunities. The outcomes comprise the basic indicators of effective performance.

The relationship between CVF & four models of Organizational Effectiveness is established.

These models are:

1. The Human Relationship Model
2. The Rational Model
3. The Open System Model
4. The Internal Process Model

a) Human Relationship Model:

Major Concern – Human Resource Development

Employees are given opportunities for autonomy & development management works toward sub goals of cohesion, morale, training opportunities.

More Concern – with employees.

b) Open Systems Model:

Major Concern: Growth & Resource acquisition

Sub Goals: Flexibility, Readiness, positive evaluation

Focus on external environment & flexible structure.

c) Internal Process Model:

Main focus: Internal focus & structural control

Sub Goals: Efficient communications, Information Management, Decision making.

Seeks a stable organizational setting.

d) Rational Goal Model:

Aims: Productivity, Efficiency, Profit.

Sub Goals: Internal Planning, Goal Setting.

Wants to achieve goals in a controlled way.

BANKING INDUSTRY IN INDIA

Indian banking is a pivotal sector for the country & its citizens. Indian Banks are competing with modern International Banks leaving no stone unturned to reach to its customers, work in the direction of everyone's progress & success.

Evolution of Banking Industry

Banking in India started in India in the eighteenth century with the General Bank of India into existence followed by Bank of Hindustan. Later, three presidency banks were established namely Bank of Bengal, Bank of Bombay, Bank of Madras. All these banks were amalgamated to the Imperial Bank of India which is now The State Bank of India.

By the 1900s, Banking Industry expanded with the establishments of Punjab National Bank (PNB) in 1895, Bank of India (1906) in Mumbai under private ownership. The Reserve Bank of India took the responsibility of regulating Indian Banking Sector from 1935.

There has been a dramatic change in the banking industry due to expansion, innovation, deregulation, there has been a need to maintain balance between efficiency & stability. The Banks have transferred from traditional functions to new innovations with new types of services coming up. There has been increasing competition between banks & non-banks in both domestic & international markets. With coming up of new private sector banks, the private banking sector has become enriched & diversified. Today banks have branches present in all regions, new private sector banks have hue capital and perfection in develop9ing good financial products.

While taking about the Indian Banking System, we cannot forget talking about cooperative banks & regional rural banks.

Structure of Indian Banking Industry: On the basis of Reserve Bank of India Act, 1934, banks are of two types:

1. **Schedules Commercial Banks:** A Schedules Bank is that Bank which has been included in the second schedule of the RBI and which fulfils the three conditions:
    i. It must have a paid up capital & reserves of an aggregate value of minimum 5 lakhs.
    ii. It must satisfy the RBI that its affairs are not conducted in a manner detrimental to the interests of its depositors.
    iii. It must be a corporation & not a partnership or a single owner firm.

    RBI gives these banks number of facilities, like credit, rediscount hundis, etc. These Banks have to deposit fixed proportion of their demand & time deposits with RBI.
2. **Non-Schedules Commercial Banks:**

    These are banks having total capital of less than 5 lakhs. These banks are not included in the second schedule of RBI Act. And RBI has no control over these banks.

a) **Commercial Banks:** These are the oldest institutions having a wide network of branches commanding utmost public confidence & having a big share in total banking operations.
b) **Public Sector Banks:** Firstly, Imperial Bank of India was converted into State Bank of India followed by establishment of its seven subsidiary banks. Then Nationalization of 14 main commercial banks took place. Later on Bank of India was merged with PNB & Global Trust Bank with that OBC Bank.
c) **Private Sector Banks:** These Banks are owned by the private players. These include Indian & Foreign Banks:

Indian Private Sector Banks: Categorized as old & new. There are old banks which are showing downfall in performance & profitability. According to Narasingham Committee new banks were allowed to be established in India,

Foreign Banks: These banks are those incorporated in a foreign country & set up their branches in India. Their principal function is to make credit available for exports & imports of the country & dealing in foreign exchange. They face a number of challenges, to get better performances.

List of Private Sector Banks

SN	Old Private Sector Banks	New Private Sector Banks
1	Bank of Rajasthan	Bank of Punjab (since merged with Centurian Bank)
2	Catholic Syrian Bank	Centurian Bank (Since merged with HDFC Bank)
3	City Union Bank	HDFC
4	Dhanalaxmi Bank	ICICI
5	Federal Bank	Indusind Bank
6	ING Vyasya Bank	Kotak Mahindra Bank
7	Jammu & Kashmir Bank	Axis Bank
8	Karnataka Bank	Yes Bank
9	Kurur Vyasya Bank	
10	Laxmi Vilas Bank	

The Public Sector Banks (PSBs), which are the foundation of the Indian Banking system account for more than 78% of total banking industry assets. Unfortunately, they are burdened with excessive Non Performing Assets (NPAs), massive manpower and lack of modern technology. On the other hand, the Private Sector Banks in India are witnessing immense progress. They are leaders in Internet banking, mobile banking, phone banking and ATMs.

BANKING INDUSTRY IN JAIPUR

Jaipur is also now one of the growing cities. It has many private banks opening up along with public banks functioning from a longer span of time. The public sector banks include Punjab National Bank, Band of Baroda, IDBI bank, Allahabad bank, SBBJ, SBI, Dena Bank, Oriental bank of Commerce etc. There are various branches of private sector banks namely, Axis Bank, HDFC, Kotak Mahindra Bank, Yes Bank, etc. just to name a few. Along with advancement in banking operations, schemes of net banking, mobile banking, plastic money has also surfaced and the banks are fulfilling their services under these quite successfully. There has been a rise in

bank account holders, along with more people into investments, mutual funds, forex accounts, etc. increasing GDP, enhancing the economy of Rajasthan. There has been a change in the working scenario of the banks in Jaipur with international guidelines and complex transactions coming into existence**.**

CHALLENGES FACED BY BANKING INDUSTRY

As said before banking industry had progressed & brought in many innovations to be at par with its international counterparts on parameters such as ROA, NPAs, growth, etc. However, the progress being witnessed is restricted to a smaller part of the industry.

There are some challenged faced by the Industry:

1. <u>Increased penetration of baking in India</u>: to tackle with supply demand mismatch:

A large number of population in India is concentrated in rural areas is believed to be financially excluded from formalized credit markets & payment systems. More initiatives are being taken by RBI & other banks in the country, notably public sector banks, to increase supply of financial services to the unbanked areas. Introduction of "no frills" account (2005) & utilizing services of NGOs & others will organizations for providing financial services (2006) are some steps in that direction. Foreign banks committed to making a play in India will need to adopt alternative approaches to win "the race for the customer" & build value creating customers.

2. Credit disbursement to the priority sector: One of the major challenges faced by the banking system in India is to provide timely & cost effective credit to the priority sectors especially the agriculture & small scale Industries. It is important for banks to maintain assets quality they also need to direct the credit flow towards small & medium enterprises.

3. Maintain asset Quality: The secured advances made by banks showed a mild decline. The unsecured advances of banks particularly of credit card receivables have increased substantially. The interest rates began to soften the latter part of the fiscal, the risk of default persisted mainly due to slowdown in economic activity. Thus major challenge in the current economic scenario for the Indian banks is to maintain the gains made with respect to asset quality over the last few years. New private sector banks have the highest exposure to sensitive sectors.

4. Improve Risk Management Mechanisms: Strategies to combat the problem of high risk perception must be taken up by banks on priority basis. Increased usage of rating services must be employed to reduce risk. Besides, SME specific risk management procedures must be set up to make business more viable, as risk perception associated with lending to small enterprises is generally very high.

5. Technology Adoption: There is serious concern in implementing complex technologies is protection against frauds & hacking. Security concern slows down technology adoption significantly for banking industry. A face pace of development of security systems is imperative to the adoption of large scale innovations in the industry. Another issue is that of business process reengineering which is required after computerization. Failure to successfully carry out BPR neutralizes the benefits that an institution wishes to accomplish via adoption of technological process.

Growth Opportunities for Banking Industries

An IBA-FICCI-BCG report suggests India's gross domestic product (GDP) growth will make the Indian Banking Industry the third largest in the world by 2025. All to the report, the domestic banking industry is set for an exponential growth in coming years with its asset size poised to touch USD 28,500 billion by the turn of the 2025. With deposits growing at a CAGR of 21.2 percent (in terms of INR) in the period of FY 06-13, there has been evident growth in overall industry.

(source: info. Shine.com/industry/banking-financial-services/8.html)

This growth can be attributed to banks shifting focus to client servicing. Public as well as Private Sector banks are underlining the importance of technology infrastructure, in order to improve customer experience & gain competitive edge.

REVIEW OF LITERATURE

- Ako Ibrahim; Mehrali, Hamatineghad; Ramezanineghad, Rahim; Hossein, Eydi (2013). Designing model of Organizational effectiveness of selected Iraq's sport federations based on competing values framework. This study concluded that organization interaction, flexibility, employee cohesion, productivity organization stability, has effects on Organizational effectiveness.
- Mehr, Shaghayegh Kiani, Kenasi, AsadiBita, Emadi: Somayeh, Hoseini; Maryan, Sadat; (2012). Relationship between Organizational culture with effectiveness of staffs of physical education offices of Mazandaran province. The study showed organization culture with components of effectiveness (organizational commitment, work motivations, the amount of negative resistance against change, improving quality). The Study showed there is exists no correlation between culture & effectiveness.
- Aktas Esra, Cicek Isik, Mithat.Kiyak (2011). The effect of Org. Culture an Organizational Efficiency; The Moderating Role or Organizational Environment & CEO

Values the findings showed the individual effect of the organizational culture types are related to organizational efficiency dimensions.

- Abbett, Liz; Coldham, Anna; Whisnant, Ryan; (2010) – Organizational Culture & the success of corporate sustainability initiatives: An empirical analysis using the Competing Values Framework. The study aimed to understand the relationship between corporate culture & sustainability initiatives & role that collaboration plays in the success of sustainability initiatives and concluded corporate culture is an important drives of organizational effectiveness. It stated that sustainability initiatives are more successful with consistency.
- A Ydin, Bulent; Cecylan, Adnana (2009) The Role of Organizational Culture. This study concluded organizational effectiveness has significant correlations with cultural dimensions, involvement, collaboration, transmission of information, learning care about clients, strategic direction reward & incentive system, system of control, communication, coordination & integration.
- Zang-Lee, Tzai' Tseng, Ya-Fen – A Study of Relationship between Organizational Culture & Organizational Effectiveness of Electronic Industries in Taiwan. This study defined the eight dimensions of organizational culture as 1) tolerant staff-oriented; 2) achievement oriented; 3) innovative; 4) analytical; 5) social relationships; 6) rewarding staff; 7) Stable work environment; 8) demanding. This study also suggested three dimensions of organizational effectiveness; 1) structural flexibility/control, 2) focus internal/external; 3) strategy means/ends. It was found that the organizational culture positively influenced organizational effectiveness.
- Burchell, Dr. Noel; Organizational Cultural Diagnosis. Merits of employing the Competing Values Framework (CVF) in conjunction with shared values profiling. This study used Mc Donald & Gandz (1992). 24 shared values associated with modern business organizations where each value is classified within one of the four quadrants of CVF.
- Yu Tianyuan; (2009) A review of study on Competing Values Framework levies some studies using CVF and OCAI – Organizational Culture Assessment Instrument, Compares the two, with others major organizational culture models & scales, finally points out future areas for CVF's application in China.

- Belasen, Alen; Frank, Nancy (2007) has stated in this paper the number and order of leadership roles and identify the personality traits which trigger the choice of leadership roles. A survey addressing classification and measurement questions in each of the competing values framework (CVF) quadrants was administered to a sample of managerial leaders across organizations. Multidimensional scaling representing the underlying CVF dimensions in a spatial arrangement was conducted with input derived from LISREL, which was also used to test the degree-of-fit between the CVF roles and quadrants as well as to examine the relationships between personality traits and leadership roles. The results produced a remarkable synthesis of two separate fields of study within a single competing quadrants grid confirming the causal paths from traits to the compressed CVF latent variables.

- Helfrich, Christian;Fang Li, (2007) This study strikes a note of caution in drawing inferences based on aggregated CVF scales when applied to populations where they have not been validated, such as non-managers. The findings highlight the challenges management scholars and practitioners face in assessing organizational culture in a reliable and comparable way, and underscore the importance of validating organizational culture instruments in each new context they are used.The VHA All Employee Survey was fielded by the National Center for Organizational Development in 2004 for organizational development purposes. It included 14 organizational culture items adapted from the Quality Improvement Implementation Survey created by Shortell and colleagues.

- Denison, R. Daniel; Haaland Stephanie, Goelzar, Paulo; (2002) Corporate Culture & Organizational Effectiveness. Is there a similar pattern around the world? This study identifies to studies to examine relation between corporate culture & effectiveness across countries & regions. It suggests that it is quite possible to measure & compare the cultural traits of organizations & their impact on business performance.
- Fey. Carl F.; Denison, Daniel. R (2000) Organization Culture & Effectiveness: The Case of foreign firms in Russia studies the influence that organizational culture has on the effectiveness of a set of foreign firms operating in Russia. It studies correlation between the dimensions of organizational culture & effectiveness measures using the Denison Model. Also four case studies of the companies are studies with four traits of the model with organizational effectiveness.

- Momot, Volodymyr.E; Litvinenko, Olena.M; Relationship between corporate culture & effectiveness of an organization. The study examines the effect of four traits: Involvement, Consistency, adaptability & mission on measures of company effectiveness in terms of overall company performance sales growth, market growth, ROA. It concludes relation between culture traits & traits of effectiveness.
- Delobbe, Nathalie; Haccoun, Robert R; Vandenberghe, Christian; Measuring Core Dimensions of Organizational Culture: A review of Research & Development of a New Instrument. This study covers twenty Organizational Culture questionnaires to being into light common Cultural Dimensions Consequently, it led to describing a new culture measure (ECO) to capture new cultural dimensions. The instrument was tested on a large sample on diverse firms. To conclude a first step in identifying set of relevant & reliable cultural dimensions cauterizing organizations.

  The findings also focused on patterns of internal procedures (interaction & organizational stability) & rational goals (planning & productivity) were the main patterns of CVF.

- Dension, R Daniel; Mishra, Aneil. K (1993) explained the model of the cultural traits that appear to characterize effective organizations and develop an explicit theory about culture and effectiveness The traits of the organizational culture were examined through two studies – Qualitative case studies of five firms were used to identify the traits and linkages with effectiveness; qualitative study which provides an exploratory analysis of CEO preparations of these traits. The research has shown an inductive, theory building approach to organizational culture and effectiveness can be coupled with deductive and quantitative research to provide exploratory test of theory.

Table of Reviewed Papers/Articles

AUTHORS	YEAR OF PUBLISHING	TITLE	OBJECTIVES	METHODOLOGY	CONCLUSIONS
Dev, Santosh	2013	Assessing and understanding organizational culture: Various Views and Theories	To review tools used by various researchers to assess the organizational culture. To look at the different aspects of organizational culture including	Exploratory and Fundamental research study	Organizations are confronted with many complex issues during their attempts to generate organizational achievement in these competitive

			its concepts, definitions, its importance and its components.		environments. An understanding of organization culture, how to transform it, how to measure it is a crucial skill for leaders trying to achieve strategic outcomes.
Mehr, Shaghayegh Kiani; Kenari, Bita Asadi; Emadi, Somayeh;	2012	Relationship between organizational culture with effectiveness of staffs of physical education offices of Mazandaran	To study the relationship between organizational culture with effectiveness of staffs of physical education offices of Mazandaran province.	**Sample:** 151 Methodology: Inferential statistics	The result showed that between organizational culture with none of the components of effectiveness (organizational commitment, work motivation, the amount of negative resistance against change, improving quality) there is no significant relationship.
Aktas, Esra; Cicek, Isik; Kiyak, Mithat	2011	The Effect of Organizational Culture on Organizational Efficiency: The Moderating Role of Organizational Environment and CEO Values	To find out the influence of organizational culture on organizational efficiency. To examine the types of culture that effect organizational efficiency.	**Sample:** Health sector of the city of Istanbul and Adana Founders or CEO's of private hospitals were included in the sample. **Analysis Method:**	It was found that all the organizational factors have a moderator effect on the relationship between organizational culture types and organizational effectiveness for

			To find out the effect of values of organization founder or CEO on the relationship between organizational culture and efficiency.	Organizational culture, and values evaluated with ratio and interval scales were examined by parametric statistical techniques while the dependent variable organizational efficiency was evaluated by ordinal scale and examined by non-parametric analysis and spearman order Correlation.	some dimensions and some effectiveness dimensions.
Abbett, Liz; Coldham, Anna; Whisnant, Ryan	2010	Organizational culture and the success of corporate sustainability initiatives: An empirical analysis using the Competing Values Framework	To study that whether similarity between organizational culture and a sustainability initiative leads to greater success of the initiative. To study the similarity between the company's emphasis on collaboration and the initiatives' emphasis on collaboration which leads to greater success of initiative.	OCAI instrument given by Cameron and Quinn was used. The survey was mailed to the respondents and was supplemented with secondary research.	The study proves that there is relationship between congruence and initiative success. It also observed that company's sustainability initiatives are more likely to be successful if the initiatives are developed and implemented in a way consistent with the company's culture.

Yu, Tianyuan; Wu, Nengquan	2009	A review of Study on the Competing Values Framework	To discuss and describe the meanings and prerequisites of different culture types in the CVF. To review some empirical studies using CVF and OCAI To compare the CVF and OCAI with other major organizational culture and scales.	Empirical method of research has been used to study the CVF model in detail.	The CVF model has been extensively used in China. The empirical studies done in the study have been tested for reliability and validity of CVF and OCAI in the Chinese market. The studies included in this study have provided empirical evidences regarding the status of the evolution of the state – owned enterprises in China and compared the state – owned to domestic private-owned enterprises.
Aydin,Bulent; Ceylan, Adnan;	2009	The Role of Organizational culture on Effectiveness	To study the effect of organizational culture in reaching organizational effectiveness To measure the organizational culture in dimensions of 'involvement', 'collaboration'	**Sample:** Employees of metalworking firms in Turkey 1000 were contacted however valid responses reached to only 578. **Analysis:** SPSS tools –	It was concluded that organizational effectiveness has significant correlations with the cultural dimensions. Organizational culture has an impact on the metalworking industry to

			'transmission of information', 'learning', 'care about clients', 'strategic direction', 'reward and incentive system', 'system of control', 'communication', and 'coordination and integration'. To measure the organizational effectiveness in terms of customer orientation, financial performance, employee satisfaction, and organizational commitment.	descriptive statistics, reliability analysis, correlation and regression analysis were used.	increase the effectiveness.
Al- Sahel Co. for Institutional Developme nt and Communica tion Ramallah – Occupied Palestinian Territories	2008	Unions Nations Relief and Works Agency (UNRWA) Organizations Effectiveness Survey	To establish baseline information from the opinions of UNRWA staff on the impact of the present reforms on several aspects of the agency's work.	Two versions of questionnaires were produced – a short version comprising of 110 questions was sent to a random sample of staff across the Agency and long version. Stratified Random Sampling has	The results were showed through the graphs and summarized through thematic grouping

				been used leading to a sample size of 5000 employees.	
Belasen, Alen; Frank, Nancy	2008	Competing values leadership: quadrant roles and personality traits	The purpose of this paper is to validate the number and order of leadership roles and identify the personality traits which trigger the choice of leadership roles.	A survey addressing classification and measurement questions in each of the competing values framework (CVF) quadrants was administered to a sample of managerial leaders across organizations. Multidimensional scaling representing the underlying CVF dimensions in a spatial arrangement was conducted with input derived from LISREL, which was also used to test the degree-of-fit between the CVF roles and quadrants as well as to examine the relationships between personality traits and leadership roles.	The results produced a remarkable synthesis of two separate fields of study within a single competing quadrants grid confirming the causal paths from traits to the compressed CVF latent variables.
Helfrich, Christian;	2007	Assessing an organizational culture instrument	To examine subscale reliability and	The VHA All Employee Survey was	This study strikes a note of caution in

Fang Li,		based on the Competing Values Framework: Exploratory and confirmatory factor analyses	assess the divergent and convergent properties of the subscales, i.e., the extent to which items correlated within subscales versus across subscales.	fielded by the National Center for Organizational Development in 2004 for organizational development purposes. It included 14 organizational culture items adapted from the Quality Improvement Implementation Survey created by Shortell and colleagues.	drawing inferences based on aggregated CVF scales when applied to populations where they have not been validated, such as non-managers. The findings highlight the challenges management scholars and practitioners face in assessing organizational culture in a reliable and comparable way, and underscore the importance of validating organizational culture instruments in each new context they are used.
Denison, Daniel R; Haaland, Stephanie; Goelzer, Paulo;	2003	Corporate Culture and Organizational Effectivness: Is there a similar pattern around the world?	To study the link between corporate culture and effectiveness in different nations. To find empirical support for a general framework.	**Sample:** 218 supermarkets from Canada, Australia, Brazil, the U.S., Japan, Jamaica, and South Africa. **I Study:** 36820 individuals from 230 organizations	The results suggest that it is quite possible to measure and compare the cultural traits of organizations and their impact on business performance across nations. The company

				drawn from different industries. **2 Study:** 2162 employees of independently owned local grocery stores within seven countries were approached. Questionnaires were mailed. Different languages were used to survey in different countries. Denison organizational Culture Survey was used as the standard questionnaire.	culture and effectiveness appears to be strong and consistent.
Denison, Daniel. R; Fey, Carl. F	2000	Organizational Culture and Effectiveness: The Case of Foreign Firms in Russia	This paper extends the literature on organizational culture and effectiveness by examining a set of foreign owned firms operating in Russia.	**Sample:** Study I – 179 firms Study II – 4 Case studies were taken to ground the empirical results in the Russian Context and identify the areas where the model may need to be extended.	Both the studies in this paper shows how quantitative and qualitative methods are combined to test and develop a theory in a way that shows applicability and limitations of the theories developed in

					USA and applied in Russia
Momot, Volodymyr; Litvinenko, Olena M.		Relationship between corporate culture and effectiveness of an organization	To study the main approaches to corporate culture from the point of view of selecting the most appropriate one for tracing the influence on organization efficiency; To select the set of measures of organization efficiency; To evaluate the link between corporate culture and organization efficiency.	Denison Organizational Culture Survey was used. The language used was Russian/ Ukrainian. A total of 495 employees participated from lower, middle and higher level. Stratified sampling was used. Likert Scale was used to rate the performance indicators.	The study concluded that that out of the four main characteristics of the organizational culture only mission indicates a significant effect on the machine – building enterprise efficiency; The power of organizational culture proves to have a positive impact on the enterprise's efficiency; The balance of the corporate culture does not impact the enterprise's efficiency significantly.
Delobbe, Nathalie; Haccoun, Robert.R; Vandenberghe, Christian		Measuring Core Dimensions of Organizational Culture: A Review of Research and Development of a New Instrument.	To identify the common Cultural dimensions tapped and the level of Psychometric support for these dimensions.	Descriptive studies have been used to study various instruments related to the study of organizational culture.	The paper describes a new culture instrument ECO to capture the commonality among cultural dimensions.

Burchell, Dr. Noel; Saele, Cato		Organizational cultural diagnosis: Merits of employing the Competing Values Framework (CVF) in conjunction with shared values profiling	To study the key variables associated with organizational effectiveness To study the impact that the shared values have on individual behavior and consequent organizational functionality. To study the 24-shared values associated with modern business organizations where each value is classified within one of the four quadrants of CVF.	**Sample:** Senior Staff in New Zealand transport firm **Instrument:** OCAI Instrument The original study was conducted in two stages, a survey and subsequent interviews.	
Lee, Tzai-Zang; Tseng, Ya-Fen		A study of the relationship between organizational Culture and organizational effectiveness of the electronic industries in Taiwan	To study the eight dimensions of organizational culture To find the relationship between organizational culture and organizational effectiveness.	This study adopted a multi-organizational culture and multi-organizational effectiveness variables to do a pairwise comparison. **Sample:** This study adopted the listed, over the counter and emerging electronic companies only	

				operating in Taiwan.	
Dension, R Daniel; Mishra, Aneil. K	1993	Towards a theory of organizational culture and effectiveness.	the purpose of this paper was to study and test the model of the cultural traits that appear to characterize effective organizations. To develop an explicit theory about culture and effectiveness.	The traits of the organizational culture were examined through two studies – Qualitative case studies of five firms were used to identify the traits and linkages with effectiveness; qualitative study which provides an exploratory analysis of CEO preparations of these traits.	The research has shown an inductive, theory building approach to organizational culture and effectiveness can be coupled with deductive and quantitative research to provide exploratory test of theory.

Table of Area wise / Geographical distribution of Papers/ Articles

1.
- Istanbul and Adana

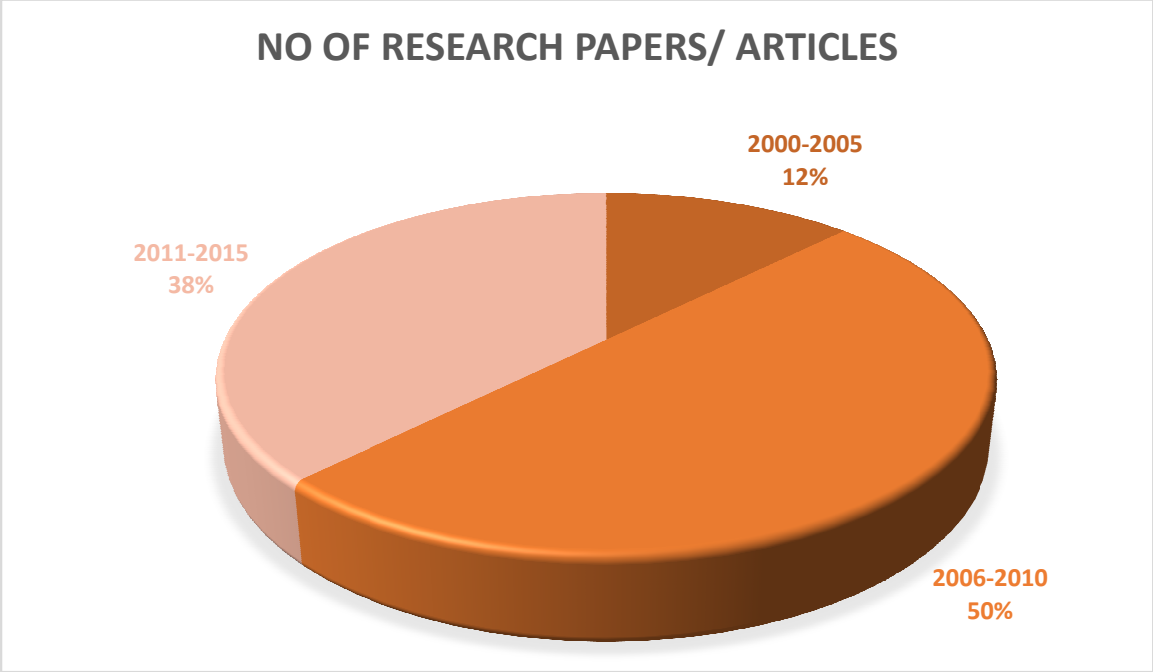
2.
- Taiwan
- Russia
- Ukraine

3.
- Canada, Australia, Brazil, the U.S., Japan, Jamaica, and South Africa.

4.
- Russia

5. ➢ Ukraine

Year Wise Distribution of Reviewed Research Papers/ Articles



RESEARCH GAP

Based on the literature review it is derived that much of the work has been done in diversified sectors outside India but not done in banking sector in Jaipur. Therefore, there is scope to find out the relationship between the two variables i.e. organization culture & effectiveness.

PROBLEM STATEMENT

Studying the literature review it was found that not much work has been done on organizational culture using this model in India and especially Rajasthan. This led me to choose the CVF Model to study the prevalent culture in banks in Rajasthan with special reference to Jaipur. Also this model is used to study the relation between organizational culture and effectiveness. So I have formulated my research problem around the same.

SCOPE OF THE STUDY

The Universe for the study will be Rajasthan with areas confined to Jaipur.

The sampling would include employees working in public & private sector banks i.e. Managers, Clerks, Probationary Officers, Branch Managers, Internet Banking Manager, Loan Officers etc. working in Banks particularly Jaipur.

JUSTIFICATION/ RELEVANCE

The study will help to identify the prevailing culture among clan, market, hierarchy, and adhocracy cultures in the banks in Jaipur. It would also help to compare the culture in public and private banks in Jaipur. The study would be using the Competing Values Framework for accomplishing the purpose the study. Various studies using this model have been done outside India, however not much have been studied under this model in Indian Banking Industry. Hence, this study is proposed to be conducted in Rajasthan and particularly the Jaipur city.

THEORITICAL FRAMEWORK

RESEARCH QUESTIONS

- What is the prevailing organizational Culture in selected Banks?
- Is there any correlation between organizational culture and Organizational effectiveness in the selected Banks?
- Which cultural trait has the maximum impact on organizational effectiveness according to the CVF Model?
- Which cultural trait has the minimum impact on organizational effectiveness?
- What is the impact of organizational culture on its effectiveness through the CVF model of organizational culture?

OBJECTIVES

1. To identify Organizational culture prevailing in selected Banks.
2. To find correlation between organizational culture and organizational effectiveness in the Banking Industry.
3. To determine the impact of cultural trait on organizational effectiveness using Competing Values Framework model.

HYPOTHESES

HYPOTHESIS 1:

Ho: Organizational culture and its effectiveness are independent to each other.

H_1: Organizational culture and its effectiveness are dependent on each other.

HYPOTHESIS 2:

H_0: There is no significant correlation between organizational culture and organizational effectiveness.

H_1: There is significant correlation between organizational culture and organizational effectiveness organizational effectiveness.

HYPOTHESIS 3:

H_0: There is no significant impact of cultural trait on organizational effectiveness.

H_1: There is significant impact of cultural trait on organizational effectiveness.

PLAN OF WORK AND METHODOLOGY

Research Design:

The study will be done using exploratory research. The study will also include Co-relational & explanatory research to find relationship among the variables used in the study.

Research Variables:

Independent Variables: Organizational Culture of the Organization.

Dependent Variables: Organizational effectiveness due to the prevalence of a type of culture in any organization.

The sub variables of organizational effectiveness include: integration, collaboration, flexibility, control, competition, rivalry, unity etc.

Universe of the Study

Universe for the proposed study will be the employees of Private and Public Banks in Jaipur city of Rajasthan.

Sample Size:

Name of The Bank	Branches	Branches in Jaipur	Total no of Employees	No of Employees in Jaipur
BOB	2687	59	38737	826
OBC	1161	29	14962	377
HDFC	515	44	14878	1276
Axis	349	19	6553	361
Total				2840

Source: Websites of respective banks understudy.

Sampling Process Undertaken

1	**Identifying the target population**	**Employees of Banks in Rajasthan**
2	Specifying the sampling frame	Employees in Private and Public Banks
3	Specifying the sampling unit	Bank Employees of Jaipur City
4	Specifying the sampling method	Simple Random Sampling
5	Determining the sample size	Krejcie Morgan Formula

Calculation of the sample according to the Morgan Formula:

Since the target population is finite, the following formula is used to determine the sample size.

$$S = \frac{X^2 NP\,(1-P)}{d^2\,(N-1) + X^2 P\,(1-P)}$$

Where:

S = *Required Sample size*

X = *Z value (e.g. 1.96 for 95% confidence level)*

N = *Population Size*

P = *Population proportion (expressed as decimal) (assumed to be 0.5 (50%)*

d = *Degree of accuracy (5%), expressed as a proportion (.05); It is margin of error*

S = [1.96*1.96*2840*{0.5(1-0.5)}] / 0.05*0.05*(2840-1) + {1.96*1.96*0.5} (1-0.5)

= 338

Table for determining sample size for finite population

To simplify the process of determining the sample size for a finite population, Krejcie & Morgan (1970), came up with a table using sample size formula for finite population.

Table 3.1

Table for Determining Sample Size of a Known Population

N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	265	3000	341
20	19	120	92	300	169	900	269	3500	346
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	354
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	191	1200	291	6000	361
45	40	170	118	400	196	1300	297	7000	364
50	44	180	123	420	201	1400	302	8000	367
55	48	190	127	440	205	1500	306	9000	368
60	52	200	132	460	210	1600	310	10000	370
65	56	210	136	480	214	1700	313	15000	375
70	59	220	140	500	217	1800	317	20000	377
75	63	230	144	550	226	1900	320	30000	379
80	66	240	148	600	234	2000	322	40000	380
85	70	250	152	650	242	2200	327	50000	381
90	73	260	155	700	248	2400	331	75000	382
95	76	270	159	750	254	2600	335	1000000	384

Note: N is Population Size; S is Sample Size *Source: Krejcie & Morgan, 1970*

- The sample size calculated by the Morgan formula is **338** but the **opted sample size is 600** for the purpose of data analysis.

METHODS OF DATA COLLECTION

Primary Data: A well-defined questionnaire using CVF culture traits will be framed. This questionnaire consists of closed ended questions.

The Questionnaire is divided into two parts:

1. The first part consists of questions related to different variables of organization to study the culture & prevailing in the banks.
2. The second part of the questionnaire consists of questions related to different parameters of organizational effectiveness.

Secondary Data: It would include books, journals, newspaper articles, websites of various databases of banks available online.

Data Analysis: Research would be carried out by Multiple Correlation & ANOVA. The reliability & validity of the questionnaire would be tested beforehand using Cronbach alpha and by doing a pilot study.

LIMITATIONS OF THE STUDY

1. The study is limited to the employees of Bank in Rajasthan confined Jaipur Area.
2. There is a time bound completion limitation.
3. The respondents may be biased in giving responses.
4. Low rate of Return of questionnaires may cause delay in progress of the study.

TENTATIVE CHAPTERIZATION PLAN

Chapter		Topic	Page No.
		List of Tables	
		List of Figures	
		List of Abbreviations	
1.		**Introduction**	
	1.1	Introduction	
	1.2	Organizational culture	
	1.3	Different theories related to Organizational Culture	
	1.4	Competing Values Framework	
	1.5	Banking Industry in India	
	1.6	Banking Industry in Rajasthan	
	1.7	Public and Private Banks in Jaipur	
	1.8	Company Profile of Banks in Jaipur	
2.		**Review of Literature**	
	2.1	Review related to Organizational Culture	
	2.2	Review related to Organizational Effectiveness	
	2.3	Review related to Private and Public Banks	
	2.4	Review related to Competing Values Framework	
3.		**Research Methodology**	
	3.1	Research Gap	
	3.2	Relevance of the study	
	3.3	Need & Significance of the study	

3.4 Objectives of the study

3.5 Hypotheses

3.6 Scope of the study

3.7 Universe of the study

3.8 Sample Selection

3.9 Tools

3.10 Data Collection

3.11 Processing of Data

3.12 Statistical Analysis

4. Descriptive Analysis & Interpretation

5. Conclusion

5.1 Conclusion & Findings

5.2 Suggestions

5.3 Application of Research

5.4 Limitations of the study

5.5 Scope for further research

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Appendices

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